



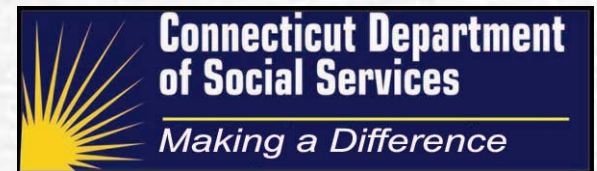
2008 Initiatives & Outlook for 2009

The Connecticut Department of Social Services

Michael P. Starkowski,

Commissioner

July 30, 2008



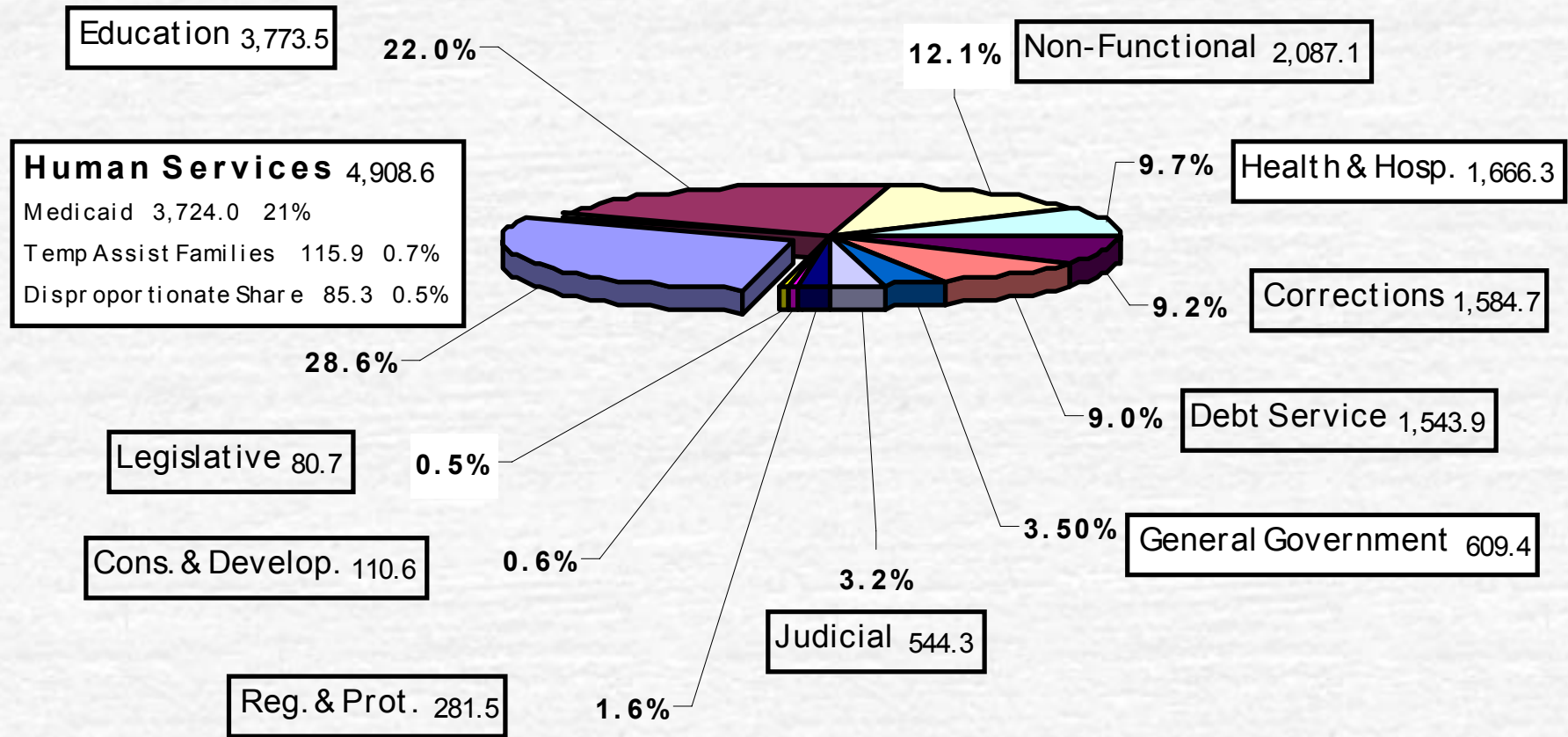


FY 2009 Appropriations

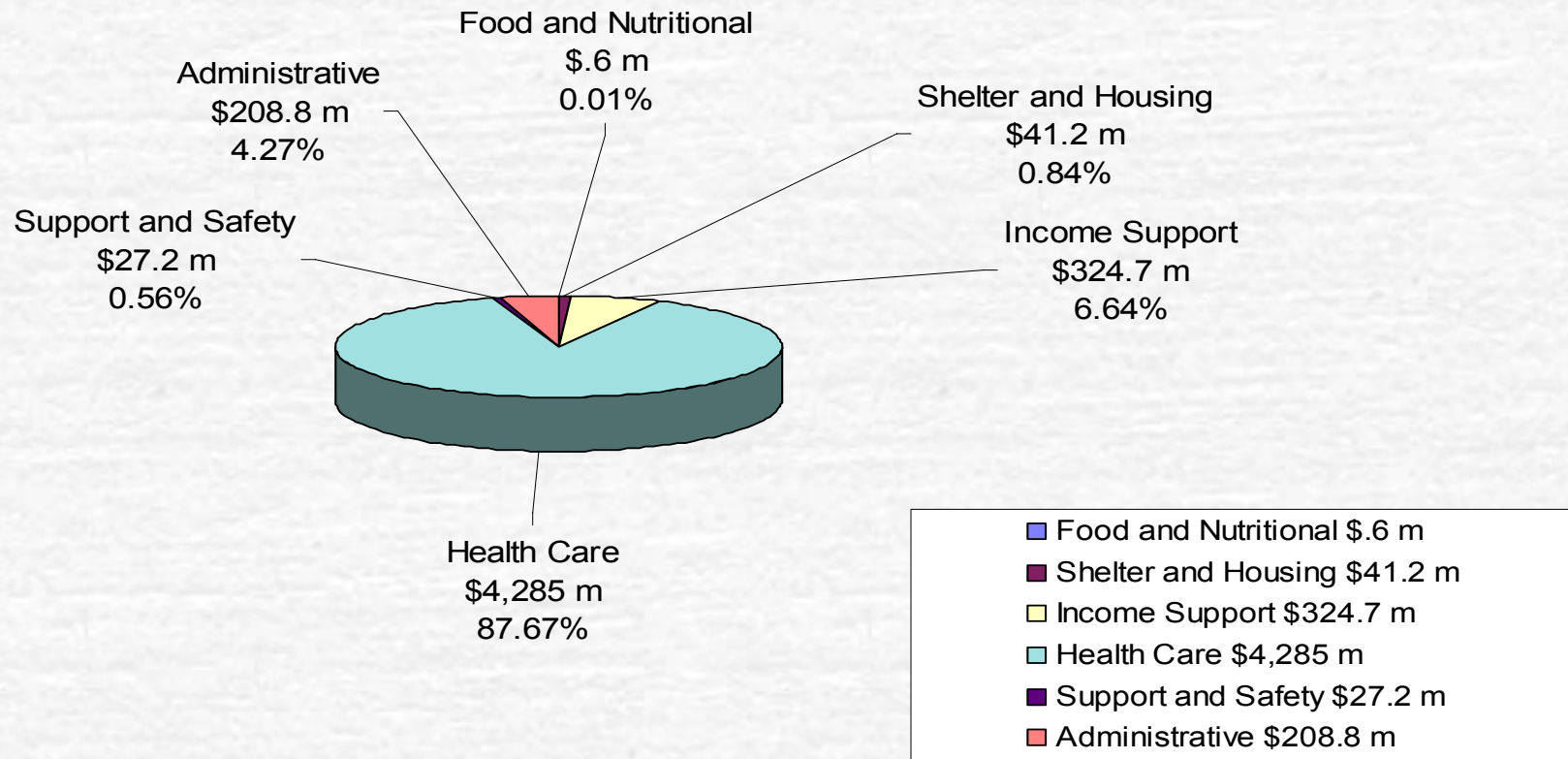
State of Connecticut Appropriations (General Fund)

SFY 2009 \$17.1 Billion

(Legend Amounts in Millions)

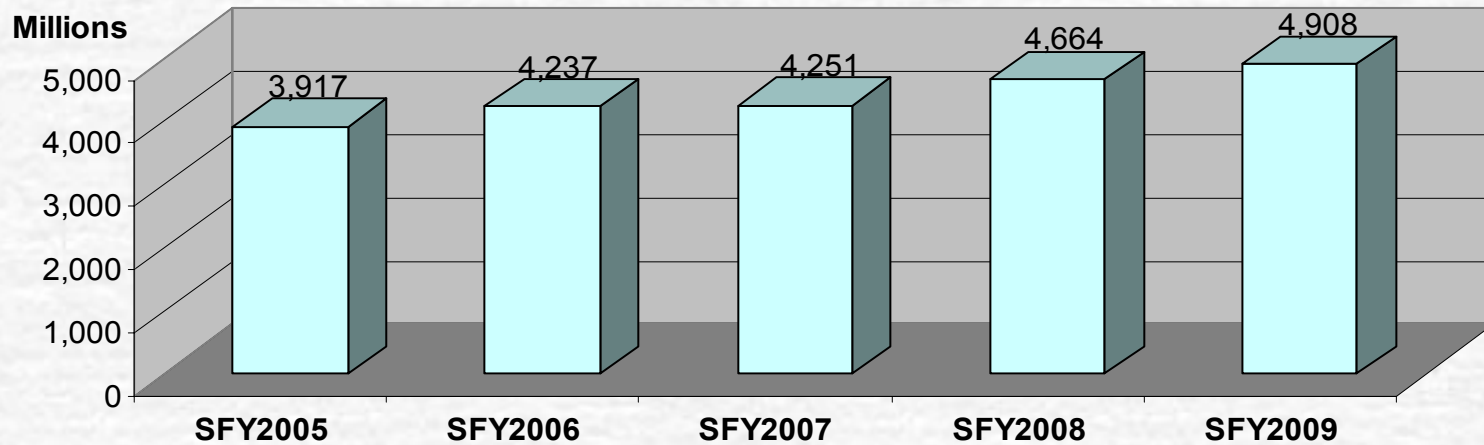


Core Programs Based on Appropriated SFY 2009 Funds

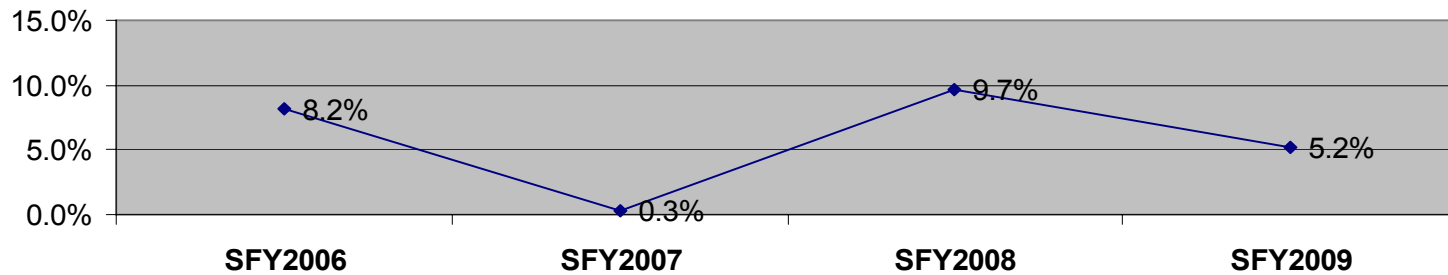


DSS Budget Growth and Percent Change

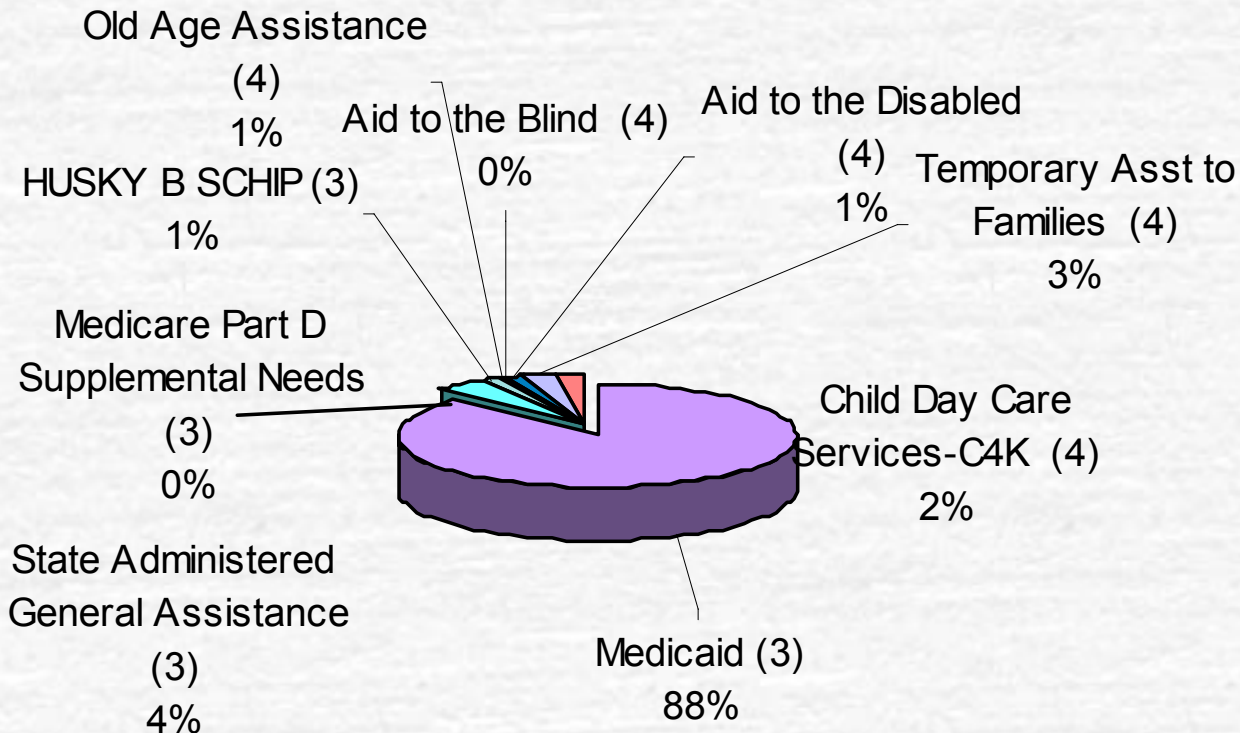
DSS Budget Growth - SFY 2005 to 2009



Percent Increase Over Previous Year



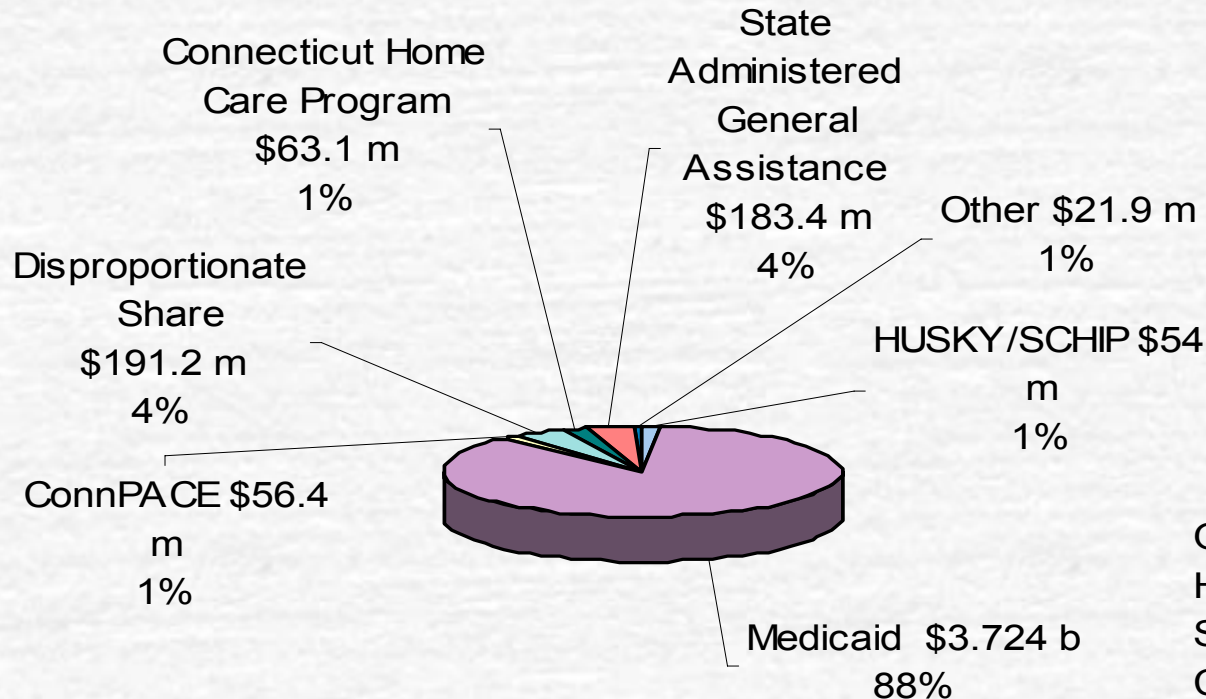
SFY 2009 DSS Appropriation for Entitlements



Core Program Categories:

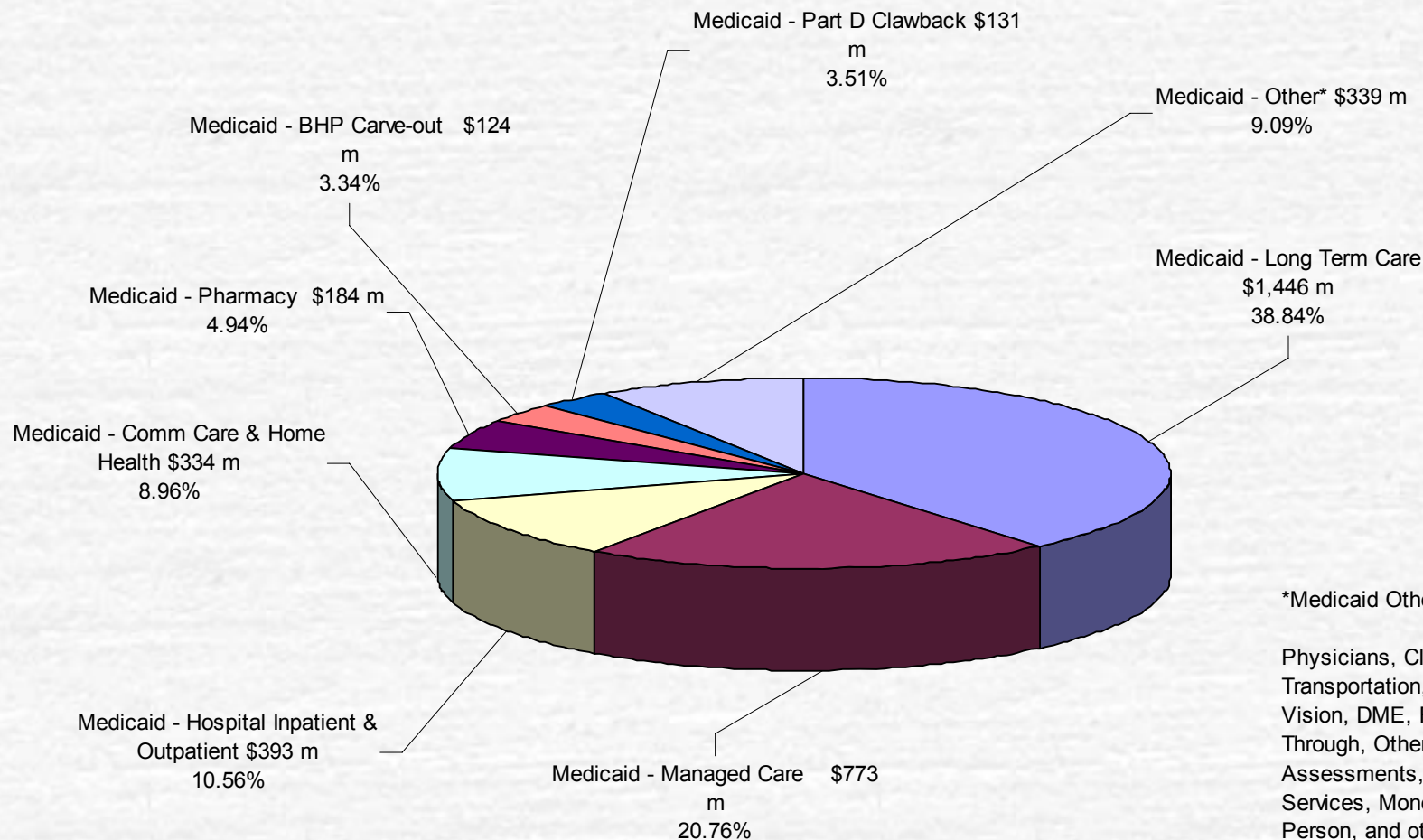
1. Administration
2. Food and Nutrition
3. Health Care
4. Income Support
5. Shelter and Housing
6. Support and Safety

DSS Health Care Appropriations SFY 2009



Other includes: Children's Health Council, Lifestar, Healthy Start, AIDS Drug Assistance, CT Children's Medical Center, and Alzheimer's Respite Care.

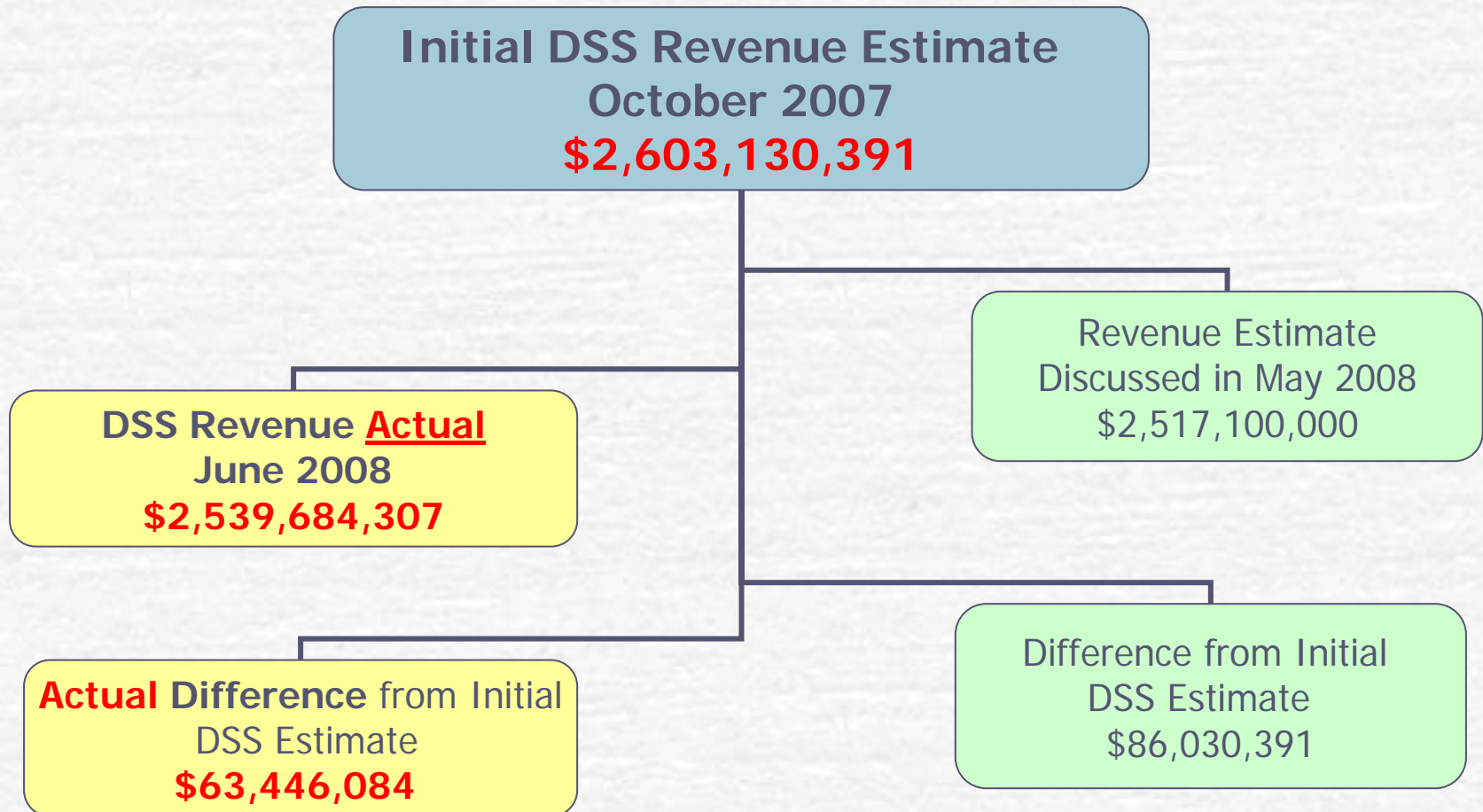
Medicaid Services by Category SFY 2009





State Fiscal Year 2008 & 2009 Revenue

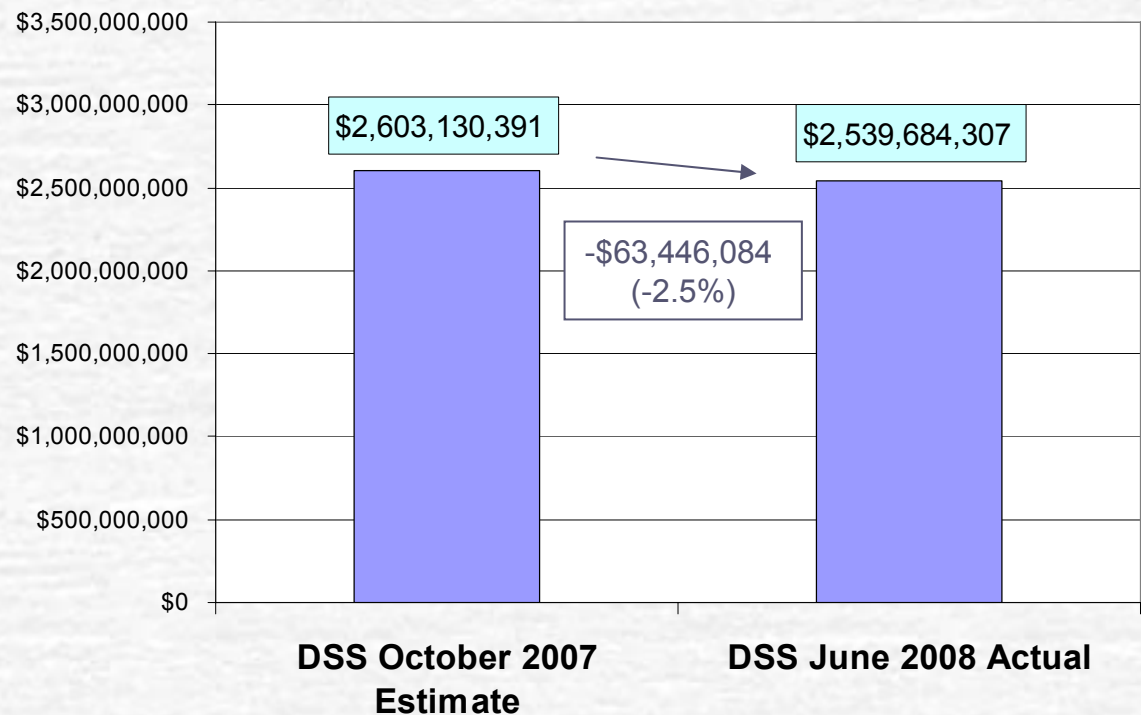
Change in SFY 2008 DSS Revenue



Change in SFY 2008 DSS Revenue

Change in Revenue Mainly Due To:

1. State Plan Amendments (SPAs) Not Approved in SFY 08 ► Revenue Deferred from SFY08 to SFY09
2. SFY08 Appropriated Medicaid Funds Carried Forward to SFY09 ► Revenue Deferred from SFY08 to SFY09
3. SFY08 Unexpended Medicaid Funds ► Funds and Revenue Lapse



Change in SFY 2008 DSS Revenue

| | | Decrease in SFY08 Revenue \$ (at 50% of Expenditures) | Increase in SFY09 Revenue \$ (at 50% of Expenditures) |
|----------|--|---|---|
| 1 | State Plan Amendments Pending Approval | -\$25,802,365 | \$25,802,365 |
| 2 | SFY08 Appropriated Medicaid Funds Carried Forward to SFY09 | -\$47,557,483 | \$47,557,483 |
| 3 | Other Estimate Variances – additional revenue received in 08 not in original estimate | \$9,913,764 | \$0 |
| | *Total | -\$63,446,084 | \$73,359,848 |

1. State Plan Amendments Approved/Pending

► Revenue Deferred from SFY 08 to SFY 09

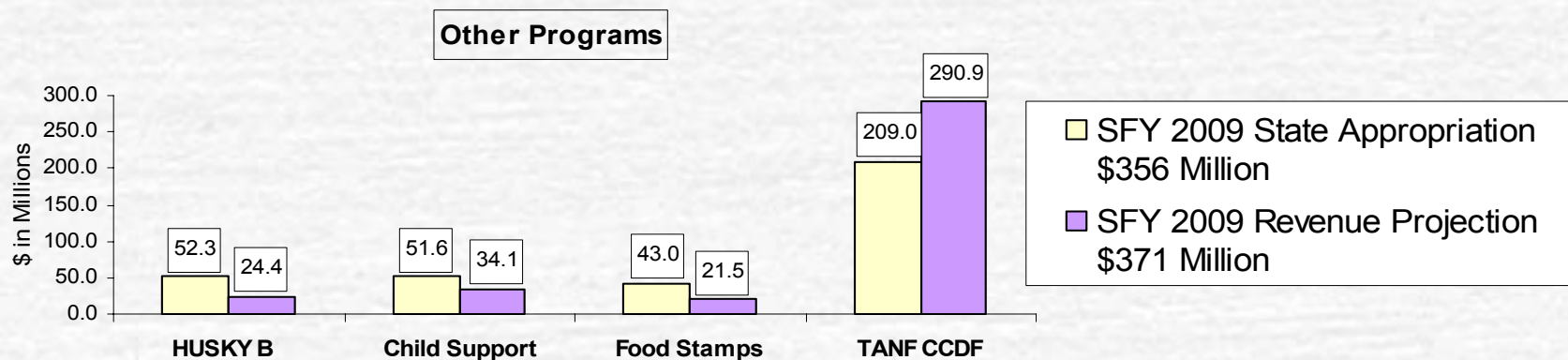
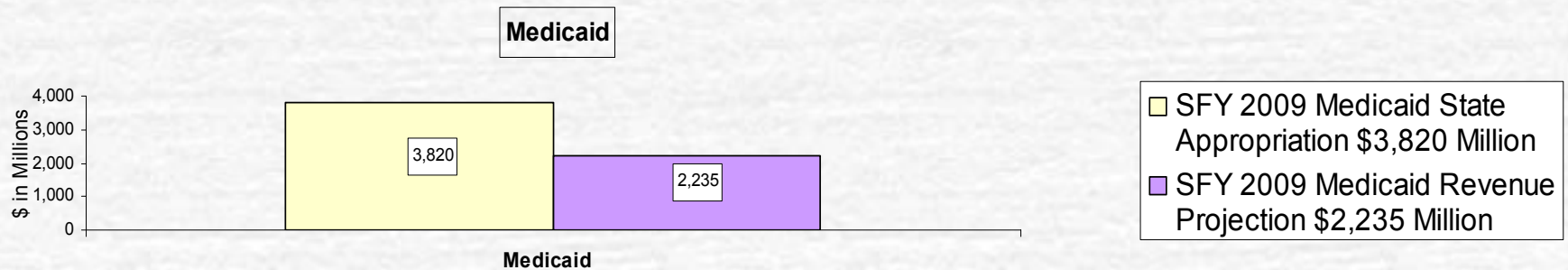
| | State Plan Amendment | Deferred Revenue \$ (at 50% of Expenditures) |
|-----|--|--|
| 1-1 | SPA 07-009: Provides Additional SAGA Disproportionate Share Hospital Payments (SAGA DSH) Approved 6/24/08 - Revenue Deferred due to CMS approval received too late to include in 08 | \$745,359 |
| 1-2 | SPA 07-010: Increases Hospital Inpatient Rates (New Cost per Discharge Targets Established) Approved 6/5/08 - Revenue Deferred due to CMS approval received too late to include in 08 | \$13,121,203 |
| 1-3 | SPA 07-013: Increases Payments for Services Provided by Physicians and Other Practitioners, Clinics (other than FQHCs), and Vision Hardware Providers – Pending CMS approval | \$1,997,688 |
| 1-4 | SPA 07-014: Provides a Special Disproportionate Share Hospital (DSH) Payment to Eliminate Shortfall Associated with Services Provided to Managed Care Clients – Pending CMS approval | \$9,938,115 |
| | Total Deferred | \$25,802,365 |

2. SFY08 Appropriated Medicaid Funds Carried Forward to SFY09 ►

Revenue Deferred from SFY08 to SFY09

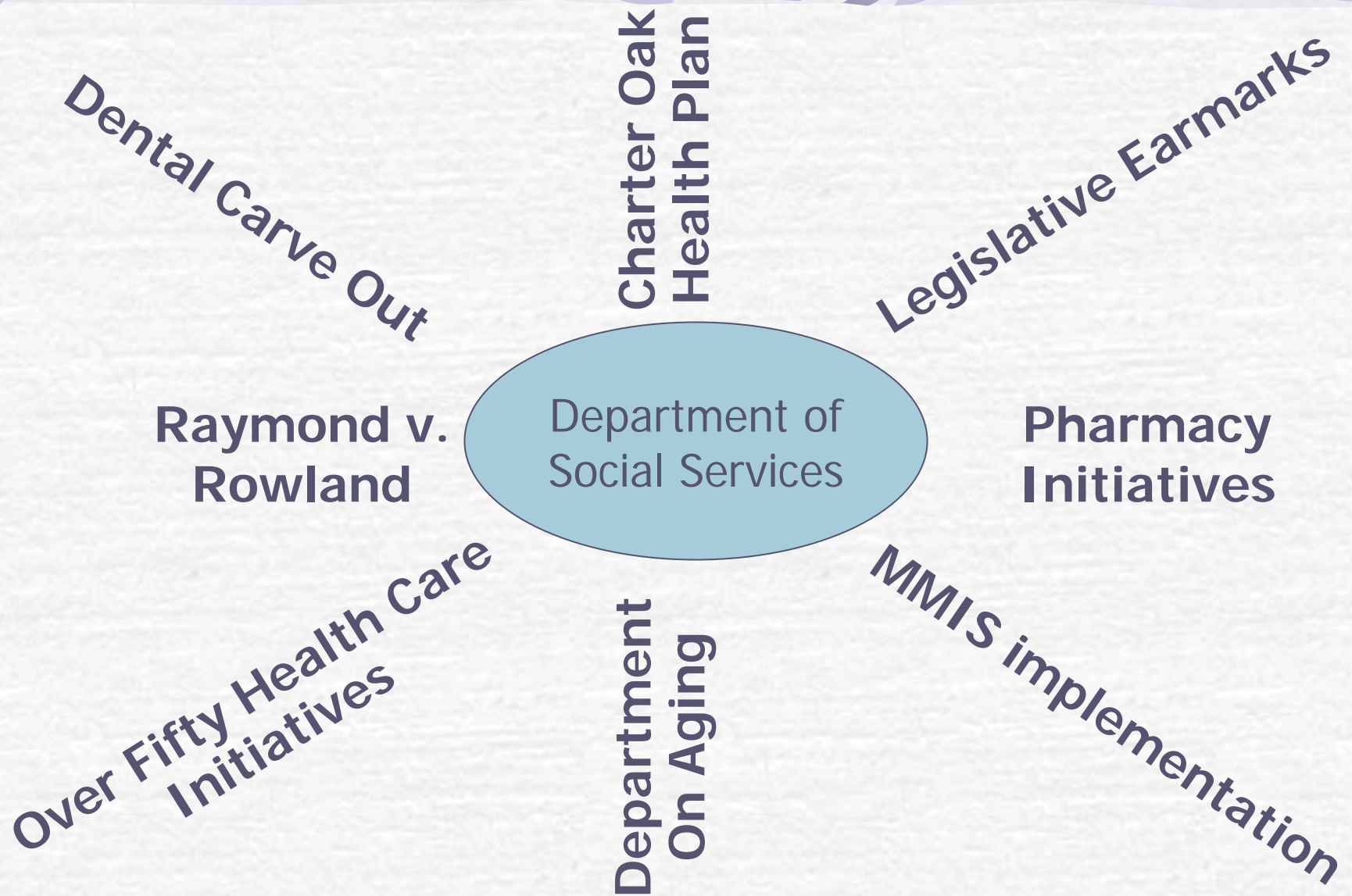
| | Description | Deferred Revenue \$ (at 50% of Expenditures) |
|-----|---|--|
| 2-1 | Managed Care Organization (MCO) Payment Delays | \$12,500,000 |
| 2-2 | Medical Provider Rate Increases | \$18,357,483 |
| 2-3 | Dental (Carr vs. Wilson-Coker) | \$9,450,000 |
| 2-4 | Enhanced Federally Qualified Health Center (FQHC) Funding | \$2,250,000 |
| 2-5 | Payment Delays due to interChange Implementation | \$5,000,000 |
| | Total Deferred | \$47,557,483 |

SFY 2009 State Appropriation vs. SFY 2009 Revenue Projection



Medicaid and HUSKY B figures include revenue associated with Administrative expenses.
Revenue in TANF/CCDF also reflects claiming for other state agencies

The Challenges We Expected.....



The Unexpected Challenges

Competitive
Procurement
Process

Managed Care
Organization (MCO)
Transition

Department of
Social Services

Nursing Home
Financial
Instability



Charter Oak Health Plan

The First State Health Plan In The Country of Its Kind

- Connecticut adults without health insurance coverage (who are not otherwise eligible for Medicaid, Medicare or SAGA Medical) may enroll in the *Charter Oak Health Plan*
- No pre-existing condition exclusions
- Voluntary participation
- Eligibility regardless of income
- No employer mandates for participation

Charter Oak Health Plan

- Adults aged 19 through 64.
- Adults who are not otherwise eligible for Medicaid, Medicare or SAGA Medical.
- Pre-existing conditions will not prevent enrollment or impact the cost of monthly premiums.
- All income ranges are eligible
- Households with income under 300% of the Federal Poverty Level (for 1 person up to \$31,200 annually or \$2,601 monthly) will have reduced premiums and deductibles.
- Reduced premium monthly payments as low as \$75 for low-income residents.
- Monthly premiums are graduated levels with households over 300% FPL paying up to \$259

The Charter Oak Health Plan

- Charter Oak's annual individual deductible will be at graduated levels for enrollees based on household income, ranging from a low of \$150 to a maximum of \$900.
- Charter Oak's annual Co-insurance maximum will be at graduated levels for enrollees based on household income, ranging from a low of \$150 to a maximum of \$900.
- The lowest co-pay, for a generic drug, would allow a prescription to be filled for \$10.
- Laboratory, X-ray and other diagnostics available with 20 percent co-pay.
- No co-pays for prenatal and preventive care.
- Mental health and substance abuse treatment benefits are included in the plan.

Charter Oak Health Plan – Deductible & Co-Insurance Maximum Benefits

| Income | Deductible | Co-insurance Maximum Benefits |
|--------------------|-----------------------------|-------------------------------------|
| 0-150% FPL | \$150 ind/ \$300 family | \$150 ind/ \$300 family |
| 151-185% FPL | \$200 ind/ \$350 family | \$200 ind/ \$350 family |
| 186-235% FPL | \$400 ind/ \$600 family | \$400 ind/ \$600 family |
| 236-300% FPL | \$750 ind/ \$1400 family | \$750 ind/ \$1400 family |
| 301% FPL and above | \$900 ind/ \$1750 family | \$900 ind/ \$1750 family |

Charter Oak Health Plan – Maximum Benefits and Co-Pays

- \$100,000 annual and \$1 million lifetime maximum
- \$ 25 - \$35 co-pays for preferred provider or approved non-provider office visits
- \$7,500 annual pharmacy maximum benefits (diabetic and ostomy supplies are excepted)
- \$4,000 Durable Medical Equipment annual benefit (diabetic and ostomy supplies are excluded from this limit)
- \$10 generic / \$35 brand approval co-pay for prescription drugs

Charter Oak Health Plan

- Kick-Off held on June 30
- Call Center began taking calls on same day, with over 16,000 calls and nearly 5,000 applications as of last week
- Quick Start Applications available online at **www.charteroakhealthplan.com** and by calling 1-877-77-CTOAK (1-877-772-8625)
- Pre-determination made from info provided on Quick Start application and sent to applicant along with request for additional info needed to make final determination

Charter Oak Application Process and Flow

Quick Start Application - Review self-declared income and household composition

Follow-up letter to request additional information on income, disability, other insurance, household composition to determine if eligible for other publicly funded health coverage

Includes enrollment form so no additional delay in enrollment.

Receipt of additional information and managed care plan selection.

Confirmation of premium amount

Enrollment confirmation and contact information for managed care plan selected

Charter Oak Activity as of July 26, 2008

Phone Calls – 16,092

Website hits – 46,681

Applications Received – 5,351

Applications Approved – 214

Clients Enrolled – 24 (effective August 1)

Anticipated Year-end Enrollment – 19,200

Charter Oak Provider Enrollment

- AmeriChoice, CHN, Aetna Better Health aggressively pursuing provider networks
- Plans reporting provider network activity on a daily basis
- Progress is tracked on a daily basis
- DSS staff independently verifying provider participation to ensure adequate enrollee access

CHARTER OAK MONTHLY PREMIUMS BY FPL BAND

| FPL BAND | MONTHLY AGGREGATE GROSS PREMIUM | MONTHLY MEMBER PREMIUM COST | MONTHLY STATE PREMIUM SUBSIDY |
|------------|------------------------------------|--------------------------------|----------------------------------|
| 0-150% | \$224 - \$299 | \$75 | \$149 - \$224 |
| 151-185% | \$254 - \$312 | \$100 | \$154 - \$212 |
| 186-235% | \$213 - \$281 | \$175 | \$38 - \$106 |
| 236-300% | \$225 - \$282 | \$200 | \$25 - \$82 |
| ABOVE 300% | \$251 - \$259 | \$251 - \$259 | \$0 |

Medicaid Managed Care

- All states except Alaska, Mississippi and Wyoming have Medicaid managed care.
- Nearly 30 million Americans were enrolled in Medicaid managed care at the end of calendar 2006 [source: Centers for Medicare & Medicaid Services]
- Percentage of total Medicaid enrollees in managed care ranges from 6% (Illinois) to 100% (Tennessee)
- Connecticut implemented Medicaid managed care in 1995.
- Managed care provides a network of contracted providers who are accountable to see and care for patients.
- A member services function in place links clients to providers and a reporting structure monitors performance on targeted improvement goals like developmental screenings and well-child visits.
- A primary goal is to measure and to improve member health outcomes, as opposed to simply paying the bills, as in a fee-for-service structure.

Managed Care Organization (MCO) Transition

- Requirement of Governor Rell for full transparency and FOIA compliance in the HUSKY Program
- To build public accountability
- 2 of 4 MCOs declined to meet state's FOI standard

HUSKY transition – where are we?

- The three managed care plan options for both Charter Oak and HUSKY will be Aetna Better Health, AmeriChoice of Connecticut (a division of United HealthCare), and Community Health Network of Connecticut.
- The current plan options of Anthem Blue Care Family Plan, Community Health Network of Connecticut (HUSKY A & B) and Medicaid fee for service (HUSKY A) will be phased out between now and the end of the calendar year.
- Award Letters sent to 3 MCOs in June
- Agreement has been reached with all 3 MCOs
- All contracts signed
- Charter Oak Service Effective Date 8/1/08
- HUSKY County Phase-in begins 9/1/08

HUSKY transition

(Transitioning enrollees of HUSKY A and B
from Anthem Bluecare, CHN or fee for service to managed care)

- Client Notification by August 4th
- Phased-In
 - 3 phases, by county for voluntary enrollment
 - Phase 1 – 1 county- Middlesex county (Sept. 1)
 - Phase 2 - 3 counties – to be determined - (Oct. 1)
 - Phase 3 – 4 counties – to be determined - (Nov. 1)
- **MCO networks assessed prior to open enrollment in a county**
- **Enrollment dates contingent on confirmation of network capacity**



HUSKY transition

- Default assignment will be to one of the three MCOs if client still does not choose by November 25, 2008
- Final notice sent to all HUSKY members who have not selected a plan by the end of October
- All enrollees, including default assignments, will be transitioned by 12/01/08
- Default enrollment will only be to plans that have available capacity

HUSKY A & B Transition

| | BlueCare Family Plan | Fee-For-Service | CHN | New Enrollees |
|--|---|--|--|---|
| <p>Phase I Late July/Early August Mailing Target County: Middlesex</p> <p>↓</p> | <p>As of December 31, 2008 Bluecare will no longer be a part of the HUSKY program.</p> <p>If you are currently enrolled in BlueCare you may enroll in one of the three Managed Care Organizations:</p> <ul style="list-style-type: none"> *Community Health Network *Aetna Better Health *AmeriChoice <p>Participants have until November 25 to choose a plan. If they do not choose a plan the Department will choose one for them.</p> | <p>As December 31, 2008 Fee-for-service will no longer be a part of the HUSKY program.</p> <p>If you are currently enrolled in Fee-For-Service you may enroll in one of the three Managed Care Organizations:</p> <ul style="list-style-type: none"> *Community Health Network *Aetna Better Health *AmeriChoice <p>Participants have until November 25 to choose a plan. If they do not choose a plan the Department will choose one for them.</p> | <p>CHN will remain in the HUSKY program.</p> <p>Participants may choose to remain in CHN or may enroll in Aetna Better Health or AmeriChoice</p> | <p>As of September 1, 2008, new enrollees in HUSKY A, will be placed into Fee-for-Service until the county they reside in begins its enrollment period.</p> <p>During the enrollment period, new members may choose one of the three Managed Care Organizations</p> <ul style="list-style-type: none"> *Community Health Network *Aetna Better Health *AmeriChoice <p>New enrollees in HUSKY B will be given the option to enroll into one of the three Managed Care Organizations</p> <ul style="list-style-type: none"> *Community Health Network *Aetna Better Health *AmeriChoice |
| <p>Phase II Late August/Early September Target Counties: 3 Counties to be determined</p> <p>↓</p> | | | | |
| <p>Phase III Late Sept./Early October Target Counties: 4 counties to be determined</p> | | | | |

Dental Carve Out

Dental Improvements Initiative

- Dental services will be carved out of all DSS programs effective September 1, 2008
- Children's dental payment rates have been significantly increased for all services
- Adult dental rates were adjusted to the extent possible with the \$2.9 million included in appropriation for FY08
- \$20 million included in the settlement agreement accommodated annual rate increases but did not address increased utilization

Dental Improvements Initiative

Although the settlement agreement approved increases for 7/1/2008, Governor Rell authorized early implementation of the new children's fee schedule, increases effective April 1, 2008 (see examples below)

| Code | Old Rate | New Rate |
|-----------|----------|----------|
| Oral Exam | \$18.80 | \$35.00 |
| Cleaning | \$22.56 | \$46.00 |
| Fluoride | \$15.75 | \$29.00 |
| Sealant | \$18.46 | \$40.00 |

Dental Improvements Initiative

- Benecare will be the single Administrative Services Organization (ASO)
- Benefits –
 - Single credentialing process for providers.
 - One uniform administrative process to follow for all patients.
 - A centralized location for claims payment and member history functions.
 - One network of colleagues and specialists for ease of referrals.
 - Promotes the “Primary Care Dentist” concept.

Dental Improvements Initiative

- Carve-out and dental benefit management implementation scheduled for 9/1/08
- Dentists have been enrolling in CTMAP in preparation for carve-out
 - 371 general dentists
 - 74 hygienists
 - 46 oral surgeons
 - 25 orthodontists
- Previously had about 250 general dentists enrolled in the prior managed care system

Dental Initiatives

- \$250,000 from *Carr v. Wilson-Coker* settlement for dental provider outreach & recruitment activities; and HUSKY member outreach & education
- \$30,000 for first CT Mission of Mercy (Tolland, April 08); \$100,000 for portable operatory to support future sites
- \$4.5 million appropriated to fund dental services provided by non-FQHC dental service providers

Funding for Dental Services (non-FQHC)

- Award letters released June 2008
- 17 contracts are in process that will provide funding to 43 dental clinics to address the following needs:
 - Client education
 - Dental equipment
 - E-Dental health
 - Increase staffing
 - Portable dental equipment

Primary Care Case Management (PCCM) Pilot Update

- Advisory Group participation in development of
 - Concept paper/plan
 - Draft RFQ & PCCM provider agreement
- Pilot geographic area(s) to be determined based on geographic locations of interested providers
- Provider Recruitment through the various State medical societies and posting of Request for Qualification (RFQ) on DSS website

Primary Care Case Management (PCCM) Pilot Update

- PCCM offers an alternative for HUSKY A families to enrollment in a managed care plan
- Enrollment would be with a PCCM participating primary care provider (PCP)
- PCP would be responsible for case management and care coordination services in addition to providing primary and preventive care
- Per member/per month case management fee paid to PCP in addition to FFS reimbursement for medical services

Primary Care Case Management (PCCM) Pilot Update

Tentative Schedule

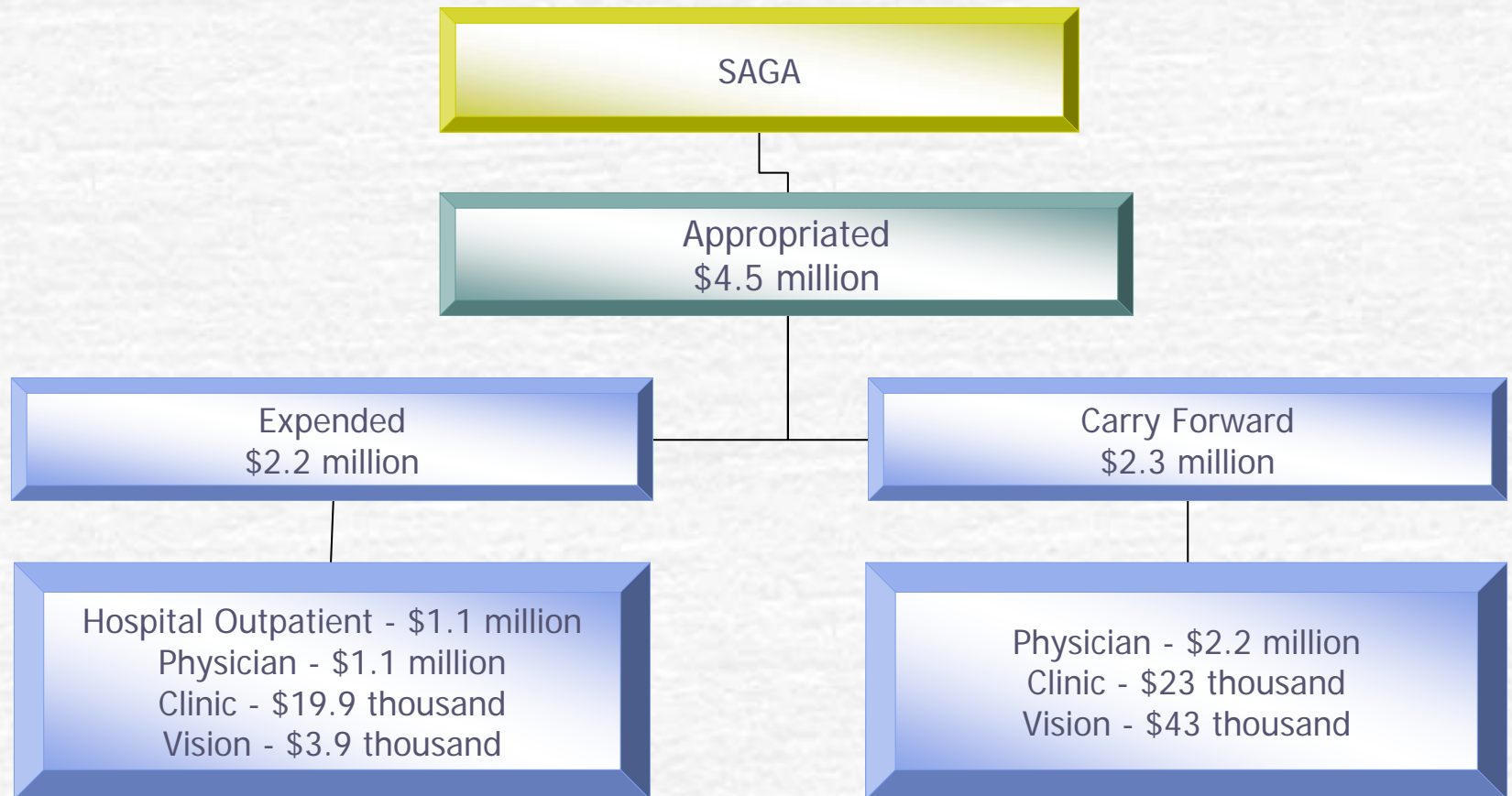
- August Submit plan to Legislature
- Sept 1 Release RFQ
- October Provider Apps. Rec'd & Reviewed
- Nov 1 Providers selected & contracted
Provider Advisory Group established
- December Enrollment Begins for 1/1/09 effective date

SFY 2008 APPROPRIATION AND EXPENDITURES FOR MEDICAID PROVIDER RATE INCREASES BY CATEGORY OF SERVICE (\$MILLIONS) (FFS COSTS INCLUDE BHP)

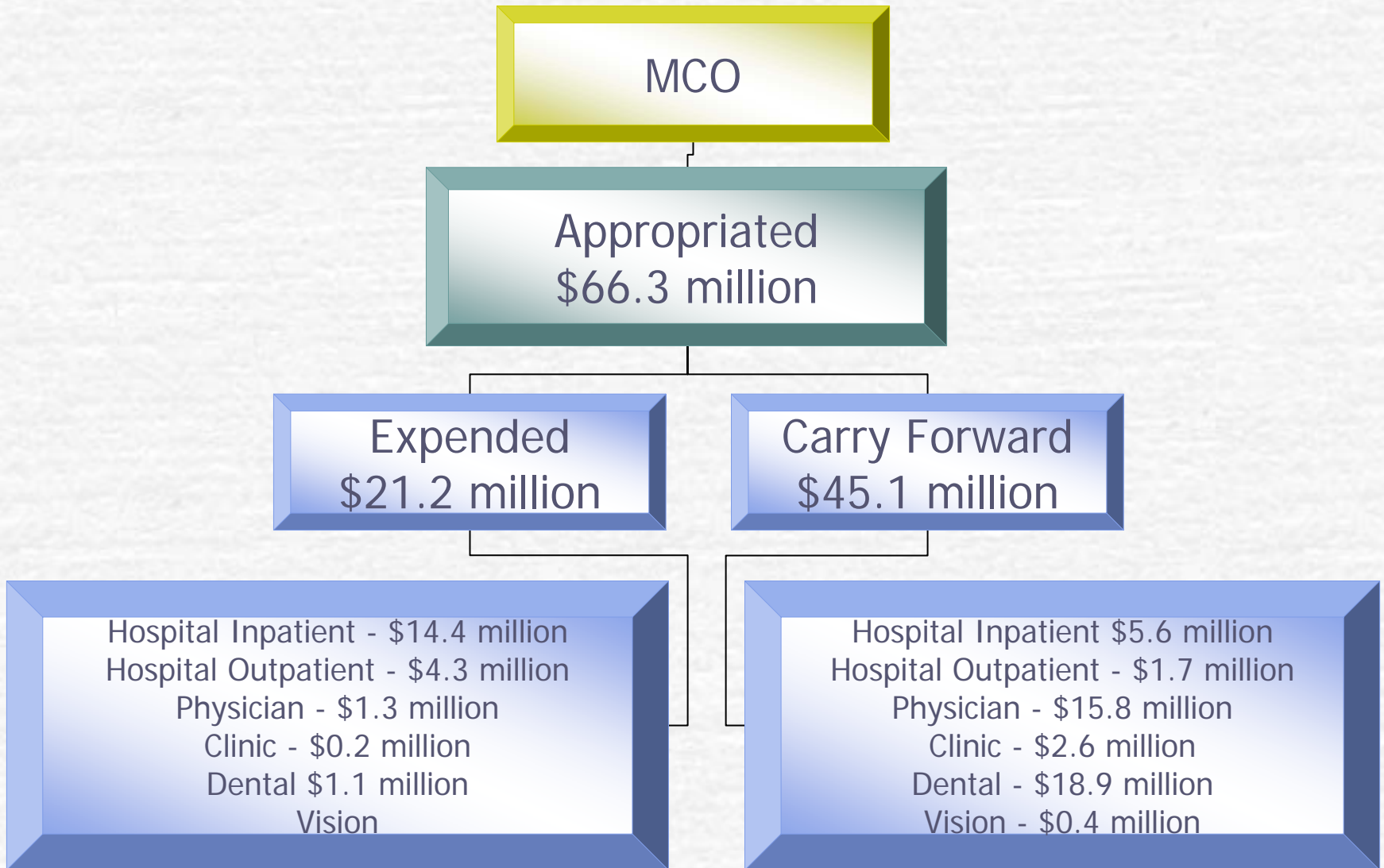
| CATEGORY OF SERVICE | TOTAL APPROP. | FEE FOR SERVICE | | HUSKY A & B | | SAGA | | CARRYFORWARDS | | | LAPSED FUNDS |
|---------------------------|------------------|-----------------|---------------|---------------|---------------|--------------|--------------|---------------|---------------|--------------|-----------------|
| | | ALLOCATED | SPENT | ALLOCATED | SPENT | ALLOCATED | SPENT | FFS | HUSKY | SAGA | |
| HOSPITAL INPATIENT | \$46.2 | \$26.2 | \$24.3 | \$20.0 | \$14.4 | - | - | \$1.9 | \$5.6 | - | - |
| HOSPITAL OUTPATIENT | \$10.0 | \$2.9 | \$1.2 | \$6.0 | \$4.3 | \$1.1 | \$1.1 | \$1.7 | \$1.7 | - | - |
| PHYSICIAN | \$27.3 | \$6.9 | \$4.3 | \$17.0 | \$1.3 | \$3.4 | \$1.1 | \$2.6 | \$15.8 | \$2.2 | - |
| CLINIC | \$10.8 | \$7.9 | \$5.9 | \$2.9 | \$0.2 | - | - | \$2.0 | \$2.6 | - | - |
| HCBS | \$11.2 | \$11.2 | \$10.0 | - | - | - | - | - | - | - | \$1.2 |
| DENTAL * | \$22.9 | \$2.9 | \$0.7 | \$20.0 | \$1.1 | - | - | \$0.0 | \$18.9 | - | \$2.2 |
| VISION | \$1.1 | \$0.6 | \$0.1 | \$0.4 | - | - | - | \$0.4 | \$0.4 | - | \$0.1 |
| AMBULANCE | \$2.0 | \$2.0 | \$1.7 | - | - | - | - | - | - | - | \$0.3 |
| NURSING HOMES | \$37.3 | \$37.3 | \$36.0 | - | - | - | - | - | - | - | \$1.3 |
| ICF/MR | \$1.7 | \$1.7 | \$1.6 | - | - | - | - | - | - | - | \$0.1 |
| CHRONIC DISEASE HOSPITALS | \$2.6 | \$2.6 | \$2.4 | - | - | - | - | - | - | - | \$0.2 |
| TOTAL | \$173.2 | \$102.3 | \$88.2 | \$66.3 | \$21.2 | \$4.4 | \$2.2 | \$8.6 | \$45.1 | \$2.2 | \$5.5 |

*It should be noted that we are requesting carryforward of these unexpended funds

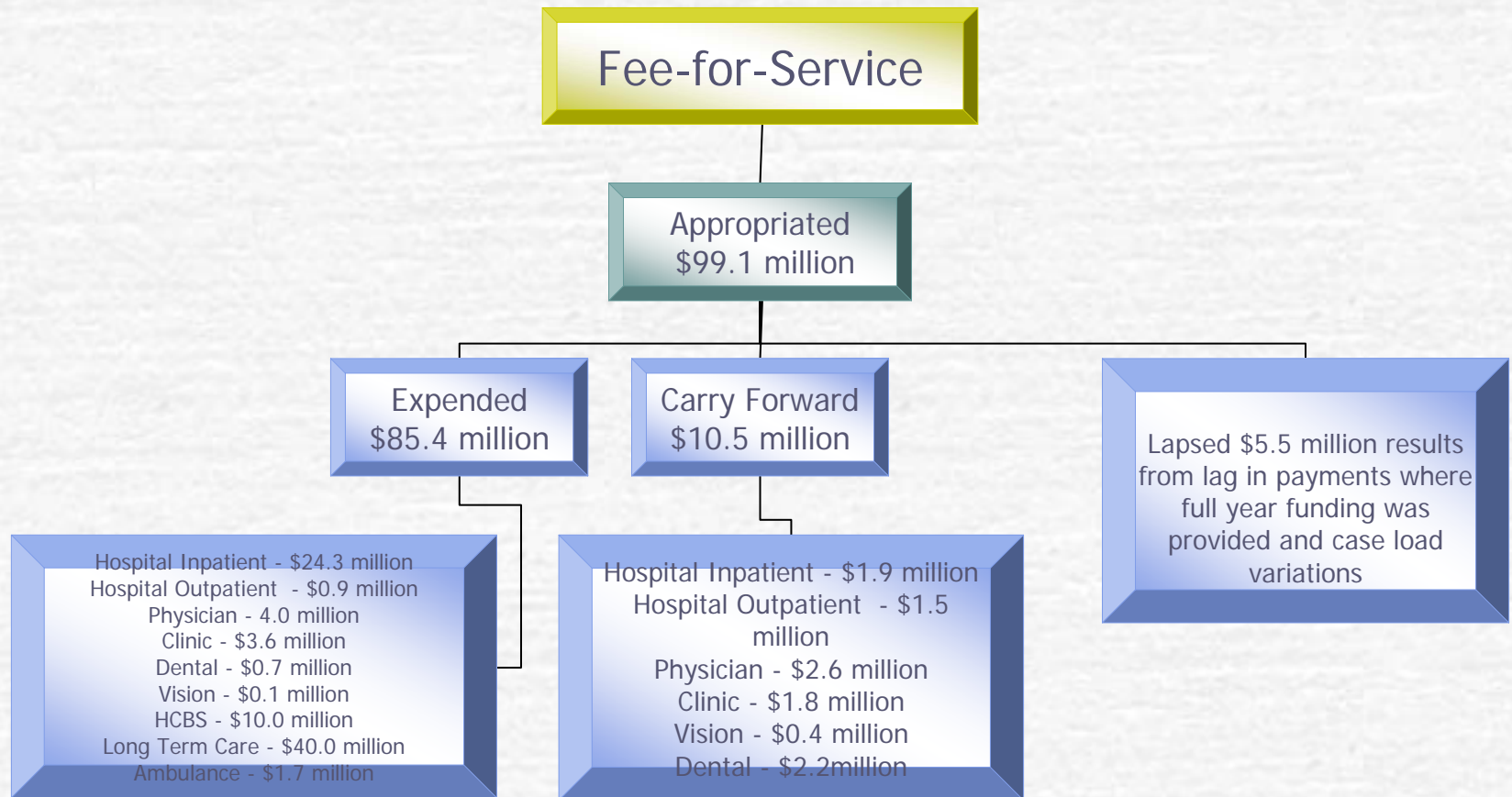
SAGA Provider Rate Adjustment



MCO Provider Rate Adjustment



Fee-for-Service Provider Rate Adjustments



Provider Rates

Goals

- To the extent possible, apply rate adjustments across the board in **all** of our health care programs (Medicaid FFS, HUSKY, SAGA, BHP, Charter Oak)
- Establish the Medicaid FFS rates and methods as the floor in our managed care programs (HUSKY A, HUSKY B, SAGA, BHP and Charter Oak)
- Update the rate schedule in a way that maximizes provider participation and the provision of routine and preventive services
- To the extent possible, eliminate rate inequities and service access issues by focusing on under-reimbursed providers and under-reimbursed services
- Accurate payment for enrolled providers, either retrospective or prospective
- Adhere to CMS requirements to ensure that all increase will qualify for federal match

Carry Forward

- DSS original request to OPM for carry forward was \$85 million for FY 2008 Medicaid obligations that did not get paid, including:
 - \$36.7 million for provider rates;
 - \$25 million in one-time payments to MCO providers due to payment delays as certain plans transitioned out of the HUSKY program; and
 - \$18.9 million to cover obligations associated with the Carr dental litigation settlement.
- As of 7/30 the department has refined the request and increased the amount to \$97.2 million

SFY09 HUSKY A Capitation Rates – Highlights

Percent Change by Rate Development Components

Aggregate Percentage Change

MCO Adjusted Financial/Encounter Data SFY07

(Includes adjustments for the following: Pharmacy, Dental, and Behavioral Health Services Carved Out; and adjusted for HPV Vaccine +0.04%)

Annualized Trend to SFY09 **6.8%**

Program Changes

HUSKY A parents & caregivers to 185% FPL (07/01/07) **0.0%**

Pregnant women to 250% FPL (01/01/08) **1.2%**

Routine dental exams by PCPs (01/01/08) **0.6%**

Medicaid fee schedule changes to incorporate mandated floor (throughout SFY08) **8.2%**

Full encounter rate for FQHC (07/01/08) **3.1%**

Misc - Midpoint rate adjustment, weighted member months, case mix adjustment, rate negotiations – approx. **5.4%**

SFY09 HUSKY A Capitation Rates – Negotiated Rates

- Historically, modest increases negotiated with MCOs *
 - 4.4% SFY08/07 rate increase
 - 3.9% SFY07/06 rate increase
 - 4.4% SFY06/05 rate increase (prior to behavioral health carve-out)
 - 4.0% SFY05/04 rate increase
- 3 out of 4 plans reported losses in the last two years
- SFY08 rates negotiated closer to bottom of the actuarially sound rate range
- SFY09 rates negotiated above midpoint of actuarially sound rate range.
 - SFY09 had two new MCOs which faced unknown risk
 - Contributed 5.3% to SFY09/08 rate increase

* Negotiated rate increases do not reflect separate and explicit rate increases that were made for programmatic changes that occurred during the respective contract year.

Medicaid Transformation Grant e-Prescribing

- CT is re-focusing efforts by:
 - Partnering with the UConn School of Pharmacy – key component of the project and the project success by gauging readiness and sophistication of the provider community
 - Final review of UConn School of Pharmacy consulting agreement in process

Medicaid Transformation Grant ePrescribing

- UConn School of Pharmacy consulting agreement:
- Major Responsibilities will include:
 - Advisor to DSS key leaders and project staff
 - Review CT DSS project plan for CMS Medicaid Transformation Project
 - Advise DSS on refining project prototypes for E-RX
- Focus Group Approach:
 - Targeted physician and pharmacy/pharmacist contact info to empanel focus groups
 - Project prototypes to test in focus groups for factors related to adoption, workflow, and implementation readiness; identify value of prototypes to end users (MDs and Pharmacists); lessons learned from sites with existing EHR/E-Rx

Medicaid Transformation Grant e-Prescribing

Scope of Project:

- Review original proposal and redefine realistic project goals
- Identify high-value project, realistic within remaining timeframe
 - Shared medication profile – comprehensive (Rx, OTCs, allergies), real-time, available to any CT-Licensed professional, 24/7
- Develop project in “accelerated solution mode” by incorporating data from existing EHR/E-Rx providers serving CT Medicaid Patients
 - Examples:
 - FQHC
 - Private practice
 - Hospital
 - Pharmacies
- Hold focus groups with selected EHR/E-Rx users for input on prototype development

Medicaid Transformation Grant e-Prescribing

- Administration committed to implementation and combined two year funding of \$500,000 for SFY 2009 and SFY 2010
- Next Steps with CMS:
 - Requested carry-forward of FY07 award (\$1.6M carry-forward)
 - CMS is allowing states to request an extension of the grant period
 - Extension request due to CMS in December '08 – extension until March 2010

Community Medical Services for Pregnant Women

- \$2 mil appropriated to reimburse for pre-natal services to undocumented pregnant women
- Individual provider agreements with FQHCs and hospitals with pre-natal clinics
- Pre-natal clinics reimbursed a one time payment, after delivery, per eligible pregnant woman
- 2,500 - annual projected births to undocumented women
- Payments for services rendered to pregnant moms for births retroactive to July 1, 2008
- Payment for SFY 2009 equals \$800 per pregnancy
- Payment reassessed annually in October

Community Medical Services for Pregnant Women

- Pre-registration by the clinic when women first present for care
- Clinic “invoice” to DSS post-delivery with info on # of pre-natal visits and services provided
- DSS to confirm eligibility for payment – based on “emergency” Medicaid reimbursement for the delivery. “Emergency” Medicaid reimbursement confirms that an application has been filed with DSS and that the Mom was determined to meet all eligibility criteria with the exception of immigration status

Over Fifty Health Care Initiatives Including

- Increase Eligibility For The HUSKY Program
- Increase Access To The HUSKY Program For Uninsured Newborns
- Increase Access And Outreach Under The HUSKY Program
- Expand Medicaid Eligibility For Pregnant Women
- Fund Primary Care Case Management (PCCM) Pilot For HUSKY
- Fund Services For Medically Fragile Children
- Money Follows The Person
- Additional Funding For Nursing Home Rates
- Additional Funding for Alzheimer's Respite Care
- Develop Pilot Home Care Program for People with Disabilities
- Implement Funding For Distressed Hospitals
- Provide Step Down From Chronic Disease Hospitals Under SAGA
- Centralized Unit for HUSKY Program
- Expand Personal Care Assistance Waiver Program
- E-Prescribing
- Web-based Application
- Mental Illness Waiver

Haven Healthcare

- Bankruptcy filing on 11/20/07
- 15 Facilities in Connecticut (1,891 beds), 10 facilities in other states (4 Rhode Island, 3 New Hampshire, 2 Vermont and 1 Massachusetts)
- Attempts to sell facilities as a group did not succeed- LifeHouse (Withdrew 5/19/08) and Genesis/Formation Capital (Withdrew 6/26/08)
- “Plan B”- Transition to property owners and new operators (DSS, DPH and AG)

Haven Healthcare

- Effective 7/7/08:
 - TC Healthcare I (Jewett City, New Haven, Rocky Hill, Soundview and West Hartford).
 - Connecticut Health of South Windsor
 - Torrington Health and Rehabilitation Center
 - Farmington Rehabilitation Center
 - State Receivership (Danielson, Norwich, Waterford and Windham)
- Effective by 8/1/08:
 - Tuttera Group (Cromwell, East Hartford and Waterbury)
- Medicaid Interim Rate Agreements – Include oversight provisions such as quarterly financial reporting and limits on management fees and rent payments. In addition, required direct care staffing (3.3 hours/resident)

Marathon Healthcare Group

- Due to concerns about financial viability, an examination of the company was initiated on 1/10/08 - 6 facilities in Connecticut (728 beds) and one in Massachusetts.
- Report issued on 3/4/08 recommended continued monitoring of the company's plan to improve finances.
- Bankruptcy filing on 4/3/08 (Same day as the Department filed for State Receivership)- New Haven, Norwalk, Prospect, Torrington, Waterbury and West Haven.
- The Department, in conjunction with the Office of the Attorney General and Department of Public Health, is monitoring and participating in Bankruptcy proceedings to continue facility operations.

Raymond v. Rowland

- Provide ACCESSIBILITY for all, through
 - Multiple means of representation.
 - Multiple means of expression.
 - Multiple means of engagement.
- Provides for changes in the physical, communication, information and human/social environments to facilitate equal access to services.

Raymond v. Rowland

- **Physical Environment**
 - Applying universal design principles in public areas of regional offices (schedule contingent on lease negotiations)
 - Hired a space planner
- **Communication Environment**
 - Hiring IT Manager to oversee Telephone System enhancements
 - Document Management Solutions contract awarded
 - Training on improved telephone interactions
- **Information Environment**
 - Developing Style Guide for client-centered forms and notices
 - Revising policy and forms to include notice of availability of reasonable accommodations
 - Revising EMS to better alert staff to presence of disability requiring reasonable accommodation
- **Human/Social Environment**
 - Hired nine (9) Triage Specialists to facilitate equal and meaningful access in Regional Offices for persons with disabilities

State Department on Aging

- Authorized by Public Act 05-280
- Task Force for the Reestablishment of the Department on Aging met throughout late 2005 and early 2006
- In 2006, legislature authorized the long term care needs assessment which was conducted by the UCONN Health Center's Center on Aging; this study recommended reconsideration of the creation of a separate agency and the splitting of Medicaid and Older Americans Act programs & funds
- The legislature authorized \$100,000 in Public Act 07-01 for a consultant to make recommendations regarding the functions and responsibilities of the new agency

State Department on Aging

- On April 30 2007, DSS hired the Sirico Center of Southern Connecticut State University to conduct the study
- In February, 2008, the Sirico Center submitted its recommendations, advocating for a phased-in “gatekeeper” approach, centralizing control of all programs dealing with seniors, and costing an additional \$2.2 million
- DSS transmitted the report in March to the Governor and legislature
- General Assembly took no action to adopt the recommendations, nor to move staff or funds per the Sirico Center’s report
- Governor Rell announced in July 2008 that the new Department on Aging will be fully functional on July 1, 2009

DSS SFY 2009 - Accounts Impacted By OPM Rescissions/Additional Lapses

| SID | Account Title | SFY 2009 Original Appropriation | OPM Rescissions | Additional Lapses | SFY 2009 Available Appropriation | Earmarks Impacted |
|-------|------------------------------------|---------------------------------------|--------------------|----------------------|--|---|
| 10010 | Personal Services | 120,046,574 | (865,908) | | 119,180,666 | |
| 10020 | Other Expenses | 92,555,196 | (2,858,264) | | 89,696,932 | Fall Prevention (\$500,000); Grandparent Navigator (\$91,000) |
| 10050 | Equipment | 1,000 | (50) | | 950 | |
| 12121 | Children's Health Council | 218,317 | (10,916) | | 207,401 | |
| 12197 | Genetic Tests in Paternity Actions | 201,202 | (10,060) | | 191,142 | |
| 12202 | State Food Stamp Supplement | 276,517 | (13,826) | | 262,691 | |
| 16090 | Temporary Asst to Families-TANF | 115,857,403 | (1,901,572) | | 113,955,831 | |
| 16096 | Emergency Assistance | 500 | (25) | | 475 | |
| 16100 | ConnPACE | 56,460,251 | (2,823,013) | | 53,637,238 | |

DSS SFY 2009 - Accounts Impacted By OPM Rescissions/Additional Lapses

| SID | Account Title | SFY 2009 Original Appropriation | OPM Rescissions | Additional Lapses | SFY 2009 Available Appropriation | Earmarks Impacted |
|-------|---------------------------------------|---------------------------------------|---------------------|----------------------|--|---|
| 16123 | Services to the Elderly | 5,965,455 | (298,273) | (335,000) | 5,332,182 | Municipal Senior Centers (\$250,000); Seniors Helping Seniors (\$50,000); RSVP (\$35,000) |
| 16148 | Nutrition Assistance | 446,829 | (22,341) | (77,659) | 346,829 | New Britain Food Pantry (\$100,000) |
| 16149 | Housing / Homeless Services | 42,446,812 | (2,122,341) | (963,000) | 39,361,471 | Beyond Shelter (\$100,000); Counselors for Homeless Shelters (\$450,000); CT Consortium for Women (\$238,000); New London Homeless Hospitality Ctr (\$100,000); New |
| 16157 | State Administered General Assistance | 183,393,217 | (5,770,000) | | 177,623,217 | |
| 16158 | School Readiness | 4,955,500 | (247,775) | (143,849) | 4,563,876 | CT Charts a Course (\$391,624) |
| 16160 | Community Services | 4,042,969 | (202,148) | (577,852) | 3,262,969 | Jewish Federation Citizenship (\$100,000); New Life (\$50,000); Epilepsy Foundation (\$55,000); West Rock Neighborhood Corp. (\$100,000); Hispanic Health Council |
| 16174 | Human Svc Infrastructure/Comm Act Pgm | 4,447,292 | (222,365) | (477,635) | 3,747,292 | Community Action Agencies (\$700,000) |
| 17083 | Community Services | 160,499 | | (75,000) | 85,499 | Christian Community Action (\$75,000) |
| | Total | | (17,368,877) | (2,649,995) | | |

Impact Of FY 2009 Rescissions

- Human Services
 - Many of the OPM rescissions are technical in nature, reflecting caseload or cost re-estimates that were adopted by the Appropriations Committee's recommended budget in April
 - Technical:
 - SAGA – \$5.8 million reduction – pharmacy carve-out savings
 - ConnPACE – \$2.8 million reduction – lower Medicare Part D coverage gap (i.e., donut hole) costs
 - TFA – \$1.9 million reduction – lower caseloads

Impact Of FY 2009 Rescissions

- Human Services

- A reduction of \$2.6 million is also made in DSS related to new initiatives. Due to delayed starts, some funds budgeted for FY 2008 will be carried forward into FY 2009 to cover needs for certain programs over the two year period
- Multiple factors impacted upon the department's ability to complete contracting process
 - Lack of specificity of project goals and objectives
 - Identification of specific contractors
 - Competing goals of competitive procurement (new contracting standards) vs. pre-selection of contractor
 - Compliance with statutory approval process

Impact Of FY 2009 Rescissions

- The \$0.9 million reduction in Personal Services is achievable due to the hiring freeze.
- Other Expenses received a \$2.9 million reduction, which includes rescissions to earmarks in the amount of \$591,000 (Fall Prevention for \$500,000 and the grandparent information system for \$91,000).

Rental Assistance Program

- \$2.1 million reduction in the DSS Housing/Homeless Services
 - \$1.85 million is attributable to the Next Steps Supportive Housing Initiative; funds will not be needed for expenditures until beginning in SFY '10
 - Remainder of reduction can be achieved by not reissuing all units that turn over
- 2,279 units under lease as of August 2008. This is an increase of over 500 (from 1,767 in January, 2008)
- Units being developed based on Next Steps Development Round 3 RFP responses due to CHFA last week will not be occupied prior to the next fiscal year.

SFY 2009 Legislative Earmark Status

| Earmarks Continuing in SFY 2009 | SFY 09 Funding | Source of Funds | Expected Contract End Date |
|--|----------------|--------------------|----------------------------|
| Contracts through SFY 2009, Carry Forward Funding in Place | | | |
| Jewish Federation | \$ 50,000 | 2008 Carryforward | 6/30/09 |
| Hispanic Health Council | \$ 87,500 | 2008 Carryforward | 6/30/09 |
| New Samaritan | \$ 300,000 | 2008 Carryforward | 6/30/09 |
| Beyond Shelter | \$ 100,000 | 2008 Carryforward | 6/30/09 |
| CT Consortium for Women | \$ 238,000 | 2008 Carryforward | 6/30/09 |
| Municipal Senior Centers | \$ 250,000 | 2008 Carryforward | 6/30/09 |
| Asset building project | \$ 265,000 | 2008 Carryforward | 6/30/09 |
| Middletown United Way | \$ 57,500 | 2008 Carryforward | 6/30/09 |
| Contracts through SFY 2009, Additional Funding Provided in SFY 2009 | | | |
| Counselors for homeless shelters | \$ 736,275 | 2009 Approp./CF | 6/30/09 |
| AIDS Housing | \$ 750,000 | 2009 Appropriation | 6/30/09 |
| CRT | \$ 200,000 | 2009 Appropriation | 6/30/09 |
| Community Action Agencies | \$ 300,000 | 2009 Appropriation | 6/30/09 |
| Child Care in Shelters | \$ 300,000 | 2009 Appropriation | 6/30/09 |
| Charts-a-Course | \$ 400,000 | 2009 Appropriation | 6/30/09 |
| Camp Hemlock (Easter Seals) | \$ 100,000 | 2009 Appropriation | 6/30/09 |
| Homes for the Brave | \$ 100,000 | 2009 Appropriation | 6/30/09 |
| Teen Pregnancy Prevention | \$ 100,000 | 2009 Appropriation | 6/30/09 |
| Senior Centers | \$ 500,000 | 2009 Appropriation | 6/30/09 |
| Independent Transportation Network | \$ 250,000 | 2009 Appropriation | 6/30/09 |

SFY 2009 Legislative Earmark Status (Cont.)

| Earmarks Continuing in SFY 2009 | SFY 08 Funding | Source of 09 Funds | Expected Contract End Date |
|--|------------------------|--------------------|----------------------------|
| Contracts Continued through SFY 2009; Full Funding Received in SFY 2008 | | | |
| Open Hearth | \$35,000 Paid in 2008 | SFY 2008 Payments | 9/30/08 |
| New Britain Food Pantry | \$100,000 Paid in 2008 | SFY 2008 Payments | 6/30/09 |
| New Haven End Homelessness | \$75,000 Paid in 2008 | SFY 2008 Payments | 6/30/09 |
| New Life | \$50,000 Paid in 2008 | SFY 2008 Payments | 9/30/08 |
| Yale | \$500,000 Paid in 2008 | Payments | 6/30/09 |

Earmarks without available funding in SFY 2009:

Grandparent Navigator
 New London Homeless Hospitality Center
 Seniors Helping Seniors
 RSVP
 Epilepsy Foundation
 Solar Youth
 Clifford Beers Clinic
 West Rock Neighborhood Corp
 Christian Community Action